

HR 12923: A Bill To Amend the Central  
Intelligence Agency Act of  
1949, as amended, and for  
other reasons

87<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 12923

## IN THE HOUSE OF REPRESENTATIVES

AUGUST 16, 1962

Mr. VINSON introduced the following bill; which was referred to the Committee on Armed Services

## A BILL

To amend the Central Intelligence Agency Act of 1949, as amended, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*  
3 That this Act may be cited as the "Central Intelligence  
4 Agency Act Amendments of 1962".

5 SEC. 2. Section 4 of the Central Intelligence Agency  
6 Act of 1949, as amended, and the heading thereto is amended  
7 to read as follows:

8 "OFFICER AND EMPLOYEE ALLOWANCES AND BENEFITS

9 "SEC. 4. In the performance of the functions of the  
10 Central Intelligence Agency, the Director is authorized—

11 "(a) to adopt or apply to officers and employees of

1 the Agency such provisions regarding officer and em-  
2 ployee allowances and benefits, as he may determine to  
3 be necessary and appropriate, of the Foreign Service  
4 Act of 1946, as heretofore or hereafter amended, and  
5 of any other law pertaining specifically, or generally  
6 applicable, to Foreign Service officers, Foreign Service  
7 Reserve officers, and Foreign Service Staff officers and  
8 employees;

9 “(b) to exercise with respect to officers and em-  
10 ployees of the Agency such authorities, as he may deter-  
11 mine to be necessary and appropriate, available to the  
12 Secretary of State under provisions of any such laws in  
13 order to make available to Agency officers and em-  
14 ployees similar benefits, rights, privileges, and allow-  
15 ances authorized thereunder;

16 “(c) to prescribe regulations for the granting of  
17 officer and employee allowances and benefits and for the  
18 exercise of the authorities set forth in this section.”

19 SEC. 3. Section 5 of the Central Intelligence Agency  
20 Act of 1949, as amended, is amended by the addition of a  
21 new paragraph (g) as follows:

22 “(g) Under such regulations as the Director may pre-  
23 scribe, the Director is authorized to exercise the authority  
24 available to the Secretary of State with respect to the estab-  
25 lishment of a retirement and disability system under the

3

1 Foreign Service Act of 1946, as heretofore or hereafter  
2 amended, in order to establish a corresponding retirement and  
3 disability system for such individuals and classes or groups  
4 of Agency officers and employees as he may designate from  
5 time to time."

Approved For Release 2002/05/06 : CIA-RDP78-03721A000500040004-7

87<sup>TH</sup> CONGRESS . H. R. 12923  
2<sup>D</sup> SESSION

---

---

**A BILL**

To amend the Central Intelligence Agency Act  
of 1949, as amended, and for other pur-  
poses.

---

---

By Mr. VINSON

---

---

AUGUST 16, 1962

Referred to the Committee on Armed Services

Approved For Release 2002/05/06 : CIA-RDP78-03721A000500040004-7

"Thank-you" letter from DCI  
to BOB Director Bell dtd 19 Aug 62

Executive Order  
67-5860

16 AUG 1962

Honorable Tom Murray, Chairman  
Committee on Post Office and  
Civil Service  
House of Representatives  
Washington 25, D. C.

Dear Mr. Murray:

For some time this Agency has considered the question of a more adequate retirement system for certain limited numbers of Agency employees. Since I became Director of Central Intelligence, this problem has been studied most carefully and I have concluded that a retirement system similar to that of the Foreign Service for a portion of our employees would meet Agency requirements.

Recently I transmitted a legislative proposal for this purpose for consideration of the Congress. For your information I enclose a copy of my letter of 14 August 1962 to the Speaker with a proposed bill attached. Basically the proposed legislation would authorize the Agency to establish a retirement system for certain of its employees corresponding to the system available for Foreign Service Officers. The Civil Service Retirement Act would remain the basic retirement system for the majority of our employees.

The legislation takes the form of an amendment to the Central Intelligence Agency Act of 1949, as amended, and, consequently, when it was received in the House of Representatives it was referred to the Committee on Armed Services. Knowing of your interest in and concern for Federal employees including the general area of retirement, I wished to bring this proposal to your attention. If you would like additional information concerning this proposal please let me know and I will be most pleased to discuss this with you.

Sincerely,

John A. McCone  
Director

Enclosure

**Distribution:**

- & 1 - Addressee w/att *via Leg C. 8/16/62 9:40*
- 1 - DCI w/o att
  - 1 - DDCI w/o att
  - 1 - ER w/o att
  - 1 - Ex Dir w/o att
  - 1 - Leg. C. w/o att
  - 1 - D/Personnel w/o att

AUG 16 9 53 AM '62



CLIPPING FROM CONGRESSIONAL RECORD

FOR 14 AUG 62

SHOWING RECEIPT OF BILL

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2416. A letter from the Director, Central Intelligence Agency, transmitting a draft of a proposed bill entitled "A bill to amend the Central Intelligence Agency Act of 1949."

August 10

CONGRESSIONAL RECORD -- HOUSE

Under clause 4 of rule XXII, public

By Mr. VINSON:  
H.R. 12923. A bill to amend the Central Intelligence Agency Act of 1949, as amended, for other purposes, to the Committee on

CHART: Comparison of Civil Service, Foreign Service,  
and Military Annuities

STAT

Approved For Release 2002/05/06 : CIA-RDP78-03721A000500040004-7

Next 1 Page(s) In Document Exempt

Approved For Release 2002/05/06 : CIA-RDP78-03721A000500040004-7

EXAMPLES OF COMPARATIVE ANNUITIES

CIVIL SERVICE, FOREIGN SERVICE, AND MILITARY SERVICES

High Five Average Salary \$17,570 (top step GS-17)

Age	Years of Service	Annuity		
		Civil Service	Foreign Service	Military Service
50	20	\$ 5,411	\$ 7,028	\$ 7,800 (1)
50	25	6,905	8,785	10,125
55	25	7,713	8,785	10,125
55	30	9,382	10,542	12,150
60	30	9,874	10,542	12,150
60	35	11,631	12,299	12,150

High Five Average Salary \$15,030 (top step GS-15)

50	20	4,629	6,012	5,160 (2)
50	25	5,906	7,515	6,825
55	25	6,598	7,515	6,825
55	30	8,026	9,018	8,865
60	30	8,446	9,018	8,865
60	35	9,949	10,521	8,865

High Five Average Salary \$11,935 (top step GS-13)

50	20	3,675	4,774	3,780 (3)
50	25	4,690	5,967	4,725
55	25	5,239	5,967	4,725
55	30	6,373	7,161	5,670
60	30	6,707	7,161	5,670
60	35	7,900	8,354	5,670

High Five Average Salary \$8,860 (top step GS-11)

50	20	2,728	3,544	2,280 (4)
50	25	3,481	4,430	2,850
55	25	3,889	4,430	2,850
55	30	4,731	5,316	3,420
60	30	4,979	5,316	3,420
60	35	5,865	6,202	3,420

- (1) Base pay in military services varies with length of service. In first example the rank of Major General was used with a base pay of \$15,600 at 20 years and \$16,200 for other lengths of service.
- (2) The rank of Colonel was used with a base pay ranging from \$10,320 at 20 years to \$11,820 at 35 years, depending on length of service.
- (3) The rank of Major, base pay \$7,560, was used.
- (4) The rank of First Lieutenant, base pay of \$4,560, was used.

STAT

Approved For Release 2002/05/06 : CIA-RDP78-03721A000500040004-7

Approved For Release 2002/05/06 : CIA-RDP78-03721A000500040004-7

EARLY RETIREMENT PROPOSAL

The purpose of the proposed legislation (HR 12923) is to make available to limited numbers of Agency employees a retirement system similar to that of the Foreign Service. The Agency has concluded that this system is urgently needed and basically fits our requirements.

Since Mr. McCone took over, he has conducted a thorough review of Agency management and personnel. While the Director has found that the people in the Agency are of unusual competence and dedication, the nature of the work involved in our operations calls for a young and resilient group of employees. A certain percentage of people will not be able to look forward to a full working career of 30 or more years.

Those Agency employees affected are obligated to serve anywhere in the world as in the Foreign Service and the military and unlike the normal Civil Service employee. The Civil Service Retirement Act is not designed for such people. The Foreign Service retirement system has been developed over the years to meet the needs of a service consisting of people who are required and do spend the major part of their careers abroad. Consequently, we believe that adopting a system similar to the Foreign Service will fulfill our needs. This system will enable us to keep a younger service by retiring people earlier and giving them a more equitable annuity.

We are just finishing an Agency reduction-in-force program involving about 150 people. These were occupationally surplus, i.e., based on our specialized needs and in accord with our manpower alignments they were excess. This exercise has created considerable restiveness among some of our employees and we feel that a new program such as this will reassure this group that their dedication is being recognized by the provision of a more appropriate retirement system.

EARLY RETIREMENT PROPOSAL

The purpose of the proposed legislation (HR ) is to make available to limited numbers of Agency employees a retirement system similar to that of the Foreign Service. The Agency has concluded that this system is urgently needed and basically fits our requirements.

Since Mr. McCone took over, he has conducted a thorough review of Agency management and personnel. While the Director has found that the people in the Agency are of unusual competence and dedication, the nature of the work involved in our operations calls for a young and resilient group of employees. A certain percentage of people will not be able to look forward to a full working career of 30 or more years.

Those Agency employees affected are obligated to serve anywhere in the world as in the Foreign Service and the military and unlike the normal Civil Service employee. The Civil Service Retirement Act is not designed for such people. The Foreign Service retirement system has been developed over the years to meet the needs of a service consisting of people who are required and do spend the major part of their careers abroad. Consequently, we believe that adopting a system similar to the Foreign Service will fulfill our needs. This system will enable us to keep a younger service by retiring people earlier and giving them a more equitable annuity.

We are just finishing an Agency reduction-in-force program involving about 150 people. These were occupationally surplus, i.e., based on our specialized needs and in accord with our manpower alignments they were excess. This exercise has created considerable restiveness among some of our employees and we feel that a new program such as this will reassure this group that their dedication is being recognized by the provision of a more appropriate retirement system.



COMPLETE CONGRESSIONAL SUBMISSION

DATED 14 Aug 62

Executive Registry

105-5771

14 August 1962

Honorable Lyndon B. Johnson  
President of the Senate  
Washington, D. C.

Dear Mr. Johnson:

This letter transmits for the consideration of the Congress a proposed amendment to the Central Intelligence Agency Act of 1949, as amended. The proposed bill permits the Agency to improve its retirement program by authorizing the establishment of a retirement system corresponding to that of the Foreign Service. The Central Intelligence Agency needs to attract and retain a force of highly motivated careerists who are intensively trained in unique skills. However, the Agency is unable in fact to provide full-term careers for many individual officers. In order to minimize the adverse effects of necessary programs of managed attrition and to preserve its ability to recruit and retain the high caliber personnel it needs, the Agency must make reasonable provision for the future of those individuals who must be separated before completing a full-term career of thirty or so years. Therefore, Section 3 of the proposed bill adds a new paragraph (g) to Section 5 of the Central Intelligence Agency Act of 1949, as amended, authorizing the Director of Central Intelligence to exercise the authority available to the Secretary of State under the Foreign Service Act of 1946, as amended, in order to establish a retirement and disability system corresponding to that available to Foreign Service Officers for a limited number of Agency employees.

Since all provisions pertaining to the retirement of Foreign Service Officers are not contained in a single Title of the Foreign Service Act and since it is possible that future amendments relating to retirement may occur elsewhere than in Title VIII, which is entitled "The Foreign Service Retirement and Disability System," it is necessary to make general provision for the Director of Central Intelligence to adopt provisions of law applicable to Foreign Service Officers for Agency employees. Additionally, most of the basic travel allowances and overseas benefits available to Foreign Service personnel are authorized for Agency employees by existing Section 4 of the Central Intelligence Agency Act of 1949, as amended. However, amendments to the Foreign Service Act over the years have of necessity required the Agency to seek legislation periodically in order to keep such authorities up to date and uniform with those available to Foreign Service personnel. Consequently, it is now proposed that the existing Section 4 of the Central Intelligence

Agency Act be rescinded by Section 2 of the proposed bill. In lieu of the rescinded authorities, the new Section 4 of the Central Intelligence Agency Act authorizes the Director to adopt and apply to Agency employees provisions of law applicable to Foreign Service personnel and to exercise with respect to Agency Employees the authority available to the Secretary of State for the purpose of having Agency Employees accorded appropriate benefits, rights, and allowances now authorized for Foreign Service Officers.

We consider enactment of the proposed bill to be essential to the effective performance of our mission and would appreciate early and favorable consideration. The Bureau of the Budget has advised that there is no objection to the presentation of the proposed bill to the Congress from the standpoint of the Administration's program.

Sincerely,

15/

John A. McCone  
Director

Enclosure

Distribution:

- O&I - Addressee
- 1 - DCI
- 1 - DDCI
- 1 - ER
- 1 - DD/S
- 1 - ExDir
- 1 - Comptroller
- 2 - Leg Counsel
- ✓ 2 - D/Pers

A BILL

To amend the Central Intelligence Agency Act of 1949, as amended, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Central Intelligence Agency Act Amendments of 1962."

Sec. 2. Section 4 of the Central Intelligence Agency Act of 1949, as amended, and the heading thereto is amended to read as follows:

"Officer and Employee Allowances and Benefits

"Sec. 4. In the performance of the functions of the Central Intelligence Agency, the Director is authorized:

(a) to adopt or apply to officers and employees of the Agency such provisions regarding officer and employee allowances and benefits, as he may determine to be necessary and appropriate, of the Foreign Service Act of 1946, as heretofore or hereafter amended, and of any other law pertaining specifically, or generally applicable, to Foreign Service officers, Foreign Service reserve officers, and Foreign Service staff officers and employees;

(b) to exercise with respect to officers and employees of the Agency such authorities, as he may determine to be necessary and appropriate, available to the Secretary of State under provisions of any such laws in order to make available to Agency officers and employees similar benefits, rights, privileges, and allowances authorized thereunder;

(c) to prescribe regulations for the granting of officer and employee allowances and benefits and for the exercise of the authorities set forth in this section."

Sec. 3. Section 5 of the Central Intelligence Agency Act of 1949, as amended, is amended by the addition of a new paragraph (g) as follows:

"(g) Under such regulations as the Director may prescribe the Director is authorized to exercise the authority available to the Secretary of State with respect to the establishment of a retirement and disability system under the Foreign Service Act of 1946, as heretofore or hereafter amended, in order to establish a corresponding retirement and disability system for such individuals and classes or groups of Agency officers and employees as he may designate from time to time."